

Key changes included in the legislative framework based on the State 911 Committee's (SNC) recommendations:

- 1) The creation of a definition for IP-based 911 service providers. The references in the statute to 911 providers do not address the changing technology of digital-IP based 911 system providers.
- 2) Increase the State 911 fee from \$0.19 to \$0.25.
- 3) Adjust the amount collected by retailers from 1.92% to 4.19%. This keeps prepaid contributions equitable with the changing State 911 fee and reflects the change in **average revenue per unit (ARPU)** from the \$50 ARPU that was used in 2006 to the current ARPU of \$26.94 in 2015. The 4.19% is calculated using the current weighted average of $\$0.88 + \$0.25 = \$1.13 / \$26.94 = 4.19\%$.
- 4) Increase the county board of commissioner levy from \$0.42 to \$0.55. The maximum amount a county board of commissioners can levy without having to go to a ballot has remained at \$0.42 since 2008.
- 5) Allow for change in a 911 service provider to a county's 911 plan by a board resolution. This allows a county to modify its 911 plan, while not requiring the time-consuming and potentially costly process of a formal 911 plan opening, yet still makes a public record of the change.
- 6) Provides the State 911 Committee with standing to take legal action if 911 fees are not paid into the fund. The current law does not include a provision to specifically allow the state to bring an action for non-billing, non-collection, or non-payment of the 911 fee. In 2013, the SNC brought an action before the MPSC for non-payment of the state 911 fee by a prepaid provider. An administrative judge held that the SNC does not have legal standing to take action on behalf of the state 911 fund to bring an action for non-payment of 911 fees.
- 7) Change auditing to require counties, not just PSAPs, to ascertain that the auditing of 911 funds is conducted. The State 911 Fund audit by the Office of the Auditor General be changed from an annual to a biennial cycle.
- 8) Create a fund (I-Fund) that allows the SNC to approve payment for IP-based 911 network costs that meet standards for redundancy, security, and reliability.
- 9) Change the distribution of the State 911 fee to reflect increased costs for NG911. Also creates a "spillover" provision requiring any revenue in excess of \$37 million to be directed to the I-Fund. The distribution levels are reflected below.

Estimated annual prepaid at 4.19% =	\$18.4m annually (an increase of \$9.8m)
Estimated annual postpaid at \$0.25 =	\$26.4m annually (an increase of \$6.4m)
Total annual estimate =	\$44.8m annually (total increase of \$16.2m)

The figures below for the distribution levels at \$37m annually, any remainder above \$37m to the I-Fund.

- a. **New** 65% to counties (approx. \$24,050,000)
Now 82.5% to counties (approx. \$23,512,130)
- b. **New** 3.5% to U-14000 fund (approx. \$1,295,000)
Now 7.75% to U-14000 fund (approx. \$2,208,715)
- c. **New** 5.5% for training (approx. \$2,035,000)
Now 6% for training (approx. \$1,709,973)
- d. **New** 1.5% to MSP for regional 911 center (approx. \$555,000)
Now 1.88% to MSP for regional 911 center (approx. \$535,791)
- e. **New** 3% to State 911 Office (approx. \$1,110,000)
Now 1.87% to State 911 Office (approx. \$532,941)
- f. **New** 21.5% to I-Fund (approx. \$7,955,000)
- g. **New** "spillover" the estimated funds above \$37m (approx. \$7,800,000)
Total for network f + g = \$15,755,000 to I-Fund for NG911